

# INFORMATION LETTER

## NATIONAL CANNERS ASSOCIATION

Not for  
Publication

For Members  
Only

No. 745

Washington, D. C.

June 3, 1939

### NORTON BILL REVISED

#### Labor Committee Amends Agricultural Provisions —Early Action Sought

The House Labor Committee at a meeting on Thursday afternoon, June 1, agreed upon changes in the original Norton bill (H. R. 5435) to amend the Fair Labor Standards Act, and Chairman Norton announced that she will request consideration of the bill on Monday, June 5, under suspension of the rules, which would preclude amendments from the floor.

As amended by the Labor Committee, the bill would provide various exemptions for canners from the hours provisions of the present law, but all canners would remain subject to the wage provisions.

As in the original Norton bill, the amended bill would exempt canners of fresh and dried fruits and vegetables from the hours limitations of the law for an aggregate of 14 weeks in any one year, and would grant such canners a 60-hour workweek throughout the year without payment of overtime and without limitation of daily hours. The Committee struck out the "terminal establishment" language in the original bill which limited this exemption.

A Committee amendment to the original bill would further provide that the hours limitations shall not apply "during the harvesting period for any fresh fruit or vegetable" to "any employee of an employer who is engaged in canning such fresh fruit or vegetable, and who is not engaged during such period in canning any agricultural commodity except fresh fruits or fresh vegetables or in recanning any agricultural commodity or product thereof, or during any other period in canning any agricultural commodity or product thereof." The effect of this provision would be to give unlimited hours to canners operating exclusively on fresh fruits and vegetables for the period of their operations on such products.

The Committee further amended the bill by rewriting the wage and hour exemption for employees engaged in cleaning, packing, grading, or preparing fresh fruits or vegetables for market when the operation is performed immediately off the farm. The amendment provides that the wage and hour provisions shall not apply to "any employee employed in cleaning, packing, grading, or preparing, but not canning or processing, fresh fruits or vegetables in their raw or natural state when such operations are performed within the generally recognized producing section or area where such commodities are produced and are normally or usually prepared for market; provided, however, that this exemption shall not apply in consuming markets to which such fresh fruits and vegetables have been sent for distribution or consumption."

The provisions of the original Norton bill (H. R. 5435), as reported to the House on April 27, were noted in the INFORMATION LETTER for April 29.

### Buyer Should Sign Food Guaranty

The Association has recently received a number of inquiries concerning the necessity of obtaining the buyer's signature to the recommended form of food guaranty published in the INFORMATION LETTER of April 1, 1939.

As the guaranty contains an undertaking on the part of the buyer to indemnify the seller for any liability that the seller may incur for certain types of misbranding arising from the use of the buyer's labels, the canner should in all cases obtain the buyer's signature to the guaranty in order that this indemnity agreement may be effective. This is implicit in the discussion of the guaranty clause in the INFORMATION LETTER of April 1, as that discussion related primarily to the use of the clause in sales contracts.

Where the guaranty is merely inserted as a clause in the sales contract, the buyer's signature to the contract will, of course, suffice. Where, however, a separate continuing guaranty is given, covering a number of different transactions, the signature of the buyer to this separate guaranty agreement should be obtained.

### HEARING ON MARKETING ACT

#### Canning Industry Opposes Removal of Exemption from Marketing Orders

Hearings were held on Thursday and Friday by the House Committee on Agriculture on the Jones bill (H. R. 6208) to amend the Marketing Agreements Act. One section of this bill would make the Act applicable to any agricultural commodity, thus eliminating the exemption now provided for canning crops and making them subject to marketing orders.

Opposition to the section affecting canning crops was voiced by representatives of the canning industry, including C. E. Lindsey, chairman of the Association's Legislative Committee, E. B. Cosgrove of Minnesota, and Preston McKinney of California. Mr. Lindsey filed with the House Committee a number of telegrams from canners in all parts of the country expressing their disapproval of the proposed amendment.

The Senate on May 31 passed the Tydings Philippine bill authorizing the substitution of gradually declining quotas on Philippine exports for tariff taxes now in effect.

The Byrnes resolution to make the two reorganization orders effective July 1, was approved by the House on June 1 and sent back to the Senate with an amendment declaring that the reorganization plans cannot increase the life of any temporary agency.

After two days of debate, the House on June 1 rejected the Hendricks bill on the Townsend old-age plan by a vote of 302 to 97.

On June 1, the Senate, without roll call, approved a \$305,267,000 bill for flood control, rivers and harbors work, and other undertakings.

### Minimum Age Provisions Apply to Canneries

The minimum age of 16 years, established by the child-labor provisions of the Fair Labor Standards Act, applies to children employed in canneries, Katharine F. Lenroot, chief of the Children's Bureau of the Department of Labor announced May 29.

In response to numerous inquiries concerning the application of the child-labor provisions of the Fair Labor Standards Act to the shipment or delivery for shipment in interstate commerce of canned goods such as fruits, vegetables, and seafood, Miss Lenroot stated that canning is regarded as production within the meaning of the child-labor provisions of the Act. Therefore, the shipment or delivery for shipment of canned goods in commerce is forbidden if, within 30 days prior to the removal of such goods from a cannery, minors below 16 years of age were employed, or suffered or permitted to work, in or about the cannery in which such goods were produced. Miss Lenroot explained that the canning of fruits and vegetables is not agriculture within the meaning of the Act and so is not within the partial exemption provided by section 13(c), except in those cases where such work is done by minors for a farmer or on a farm in conjunction with farming operations.

Miss Lenroot pointed out that age certificates are available to employers throughout the country and that operators of canning establishments should avail themselves of the protection afforded by the Act against unintentional employment of minors below 16 years of age by obtaining certificates of age for minors in their employ.

### Another Demonstrator Complaint Issued

The Federal Trade Commission has issued amended complaints charging two New York organizations selling cosmetics and toilet preparations with violation of the Federal Trade Commission and Robinson-Patman Acts in connection with furnishing the services of demonstrators of their products to merchant customers, and with violation of the Robinson-Patman Act through granting price discriminations.

Respondents are (1) Bourjois, Inc., Bourjois Sales Corp., Barbara Gould Sales Corp., Bourjois Sales Corp. of California, and Bourjois Sales Corp. of New Jersey; and (2) Richard Hudnut, a corporation, Hudnut Sales Co., Inc., and William R. Warner & Co., Inc., all of New York.

Like the complaint issued by the Commission recently against Charles of the Ritz, Inc., and Charles of the Ritz Distribution Corp., N. Y., reported in the INFORMATION LETTER for May 13, page 5843, violation of the Robinson-Patman Act is alleged to occur through granting to some customers the services of demonstrators when such services are not granted to other competing customers on proportionally equal terms.

Violation of the Federal Trade Commission Act is alleged because the respondents' demonstrators, while appearing to be employed by the respective merchants in their stores as disinterested salespersons qualified to give impartial advice and counsel regarding the use of various cosmetics, are in fact employed and placed therein by the respondent cosmetic companies and are able to further the sale of the respondents' preparations. The respondents' personnel plan

is alleged to deceive purchasers and to have a tendency to lend itself to misrepresentation of competitors' commodities and substitution of respondents' products therefor.

### To Display Association's Publications at Meeting

Publications of the Association's Home Economics Division, including the third in the series of recipe leaflets prepared in the Service Kitchen, "Summertime Recipes for Canned Foods," will be displayed at the Division's booth at the meeting of the American Home Economics Association to be held at the Gunter Hotel in San Antonio the week of June 18. Miss Marjorie H. Black of the Home Economics Division will be present at this meeting and will have charge of the booth.

The meeting will be attended by home economics women in business, high school and college teachers, cafeteria managers, home-service women from utility companies, extension women, homemakers, and others interested in home economics.

Miss Black plans to leave June 4 on this field trip, which will include stops in the following cities, in addition to the meeting at San Antonio: Little Rock, Ark.; Oklahoma City and Norman, Okla.; Amarillo, Canyon, Fort Worth, Denton, Dallas, Austin, Houston, and Galveston, Texas.

### Mark of Origin Bill Vetoed by New York Governor

Gov. Herbert H. Lehman on May 30 vetoed the "mark of foreign origin" bill passed by the New York State legislature. The bill, although ambiguously drawn, was evidently designed to require that all articles of merchandise sold in New York State, either of foreign origin or containing a component part of foreign origin, be labeled with the place or country from which imported.

Articles of merchandise consisting of domestically manufactured food made from vegetable component or components or foreign origin, would have been exempted from the labeling requirements of the bill.

### California Assembly Passes Lien Bill

The California Assembly on May 23 passed without a dissenting vote the grower-laborer lien bill (A. B. 1278), including amendments recommended by the California Bankers' Association. The bill, as passed by the Assembly, provides that growers and laborers shall have a prior lien on products packed by a processor. This prior lien is to last for 60 days from the date of delivery of the raw product, or from the date of the beginning of personal services, unless court proceedings are instituted to enforce the lien within that time.

The amendments recommended by the California Bankers' Association, and adopted by the Assembly, provide, upon compliance with certain formalities, that the grower claimants shall not have a lien on products pledged to a lender who advances new loans to the processor. If, in such cases, claimants have filed verified claims against the processor with the lender prior to the time the loan was advanced, then the lender shall withhold such portion of the proceeds of the loan as will satisfy the amount of the verified claims.

### Tells Students of Association's Service Kitchen

Opportunities for girls trained in home economics were discussed by Miss Katharine Smith of the Association's Home Economics Division in a talk to over 300 home economics students of Eastern High School in Washington, D. C., on May 31. As a specific example of opportunities, Miss Smith told of the work of the Association's Service Kitchen.

### Dollar Sales of Wholesalers-Manufacturers

Dollar sales of wholesalers, located in every section of the country, increased 1.3 per cent during April, 1939, as compared with April, 1938, according to the results of a survey conducted by the Department of Commerce among sample groups of business firms. Dollar sales of manufacturers, also located throughout the country, increased 9.4 per cent during April, 1939, as compared with April, 1938. The figures are based on reports from 2,902 wholesalers and 1,689 manufacturers.

### American Fruit Juices Gain Popularity Abroad

An expanding foreign demand for American fruit juices is shown in a report just released by the Department of Commerce. This report shows that exports of these products increased from 1,980,876 gallons in 1936 to 2,626,656 gallons in 1937 and 2,951,811 gallons in 1938. Canada, the United Kingdom, France, and the Philippine Islands are the largest outlets for United States fruit juice exports. The first two countries account for 65 per cent of the foreign shipments in 1938.

### Study Being Made of Pacific Sea Life

A study of water conditions and sea life along the Pacific Coast from Washington to Lower California and from shore to 400 miles out, is being made by the Scripps Institution of Oceanography boat, E. W. Scripps. The Bureau of Fisheries is cooperating and surveying the sardine or pilchard spawning grounds.

### American Share of Philippine Trade in 1938

United States exports to the Philippine Islands in 1938 were the highest since 1929 and increased 42.5 per cent over 1937, the Bureau of Foreign and Domestic Commerce has reported. The American share of the Philippine import trade rose to 68 per cent last year, the largest in the history of trade between the two countries. Imports of American goods were valued at \$90,357,000.

Imports of American canned milk and canned fish increased 30 per cent and 45 per cent, respectively. The purchases in canned sardines alone more than doubled.

### United Kingdom Continues Canned Food Increase

The United Kingdom continues to increase its consumption of canned foods, according to a survey issued by the Imperial Economic Committee. The survey showed that the United Kingdom takes about 42 per cent of the world exports

of canned foods from the chief producing countries of the world. An analysis of the imports into the United Kingdom shows that pears, peaches, apricots, and pineapple constitute about three-quarters of the total.

Arrivals of canned fruit at the principal ports of the United Kingdom during the five weeks ended April 29 showed a marked increase. Receipts of all the important varieties, with the exception of grapefruit, were much larger than in the preceding five weeks. As compared with the corresponding period of 1938, there was an increase of 389,000 cases, or 34 per cent, with practically all varieties showing marked increases. Arrivals from the United States increased by 376,000 cases.

### Early Cuban Grapefruit Crop Reported Small

The early Cuban grapefruit crop is likely to be the smallest in the past six years, according to the American consul at Habana. Only groves that can be irrigated are expected to yield in any volume, because of dry weather. Early estimates indicate that not more than 75,000 crates will be shipped abroad during August and September, compared with 88,327 crates of the early 1938 crop shipped abroad.

### Veterans Bureau to Buy Canned Cherries

The Procurement Division of the Veterans Administration is asking for bids, to be opened on June 27, on 975 dozen No. 10 cans of Royal Anne cherries, packed 6 to the case, for delivery f.o.b. Perryville, Maryland.

Copies of the invitation to bid may be obtained by addressing A. J. Harrison, Chief, Procurement Division, Veterans Administration, Arlington Building, Washington, D. C.

### Fruit and Vegetable Market Competition

Carlot Shipments as Reported by the Bureau of Agricultural Economics, Department of Agriculture

VEGETABLES	Week ending—			Season total to—	
	May 27, 1938	May 27, 1939	May 29, 1939	May 27, 1938	May 27, 1939
Beans, snap and lima.....	235	341	234	7,383	5,982
Tomatoes.....	1,246	1,333	1,000	15,486	11,580
Green peas.....	113	317	309	3,082	3,461
Spinach.....	1	3	12	6,457	6,117
Others:					
Domestic, competing directly.....	3,481	3,605	2,775	113,246	100,510
Imports competing—					
Directly.....	3	5	4	2,371	2,253
Indirectly.....					
Fruits					
Citrus, domestic.....	4,057	3,572	3,528	125,341	142,003
Imports.....	3	0	0	114	77
Others, domestic.....	673	866	828	25,198	24,955

### Peary Expedition Canned Foods Given N. C. A.

Twenty-nine cans of corn, baked beans, brown bread, and salmon, which were part of the supplies taken by Admiral Robert E. Peary on his expedition to the North Pole in 1908-1909, have been given to the National Canners Association by Austin, Nichols & Co. of New York. This company supplied food for several of the Peary expeditions, and these particular canned foods were taken on the sixth and suc-

cessful trip, when Admiral Peary reached the North Pole on April 6, 1909.

The foods left New York in July, 1908, and were taken to Etah, Greenland, where the base of the expedition was established. Certain of the supplies were packed in flat cases, and at Etah the cases were piled to form the complete four walls of a house. The inner ends of the cases were removed after the house was set up, and the outer side, after being covered with heavy tarpaulin, were covered with snow and wet down to form a coating of ice. A tarpaulin was used to make a roof.

In a letter from Austin, Nichols & Co. regarding the canned foods, it is stated: "We have selected the best specimens of our Peary goods and packed them in one case—an assorted lot of Austin, Nichols & Company's label canned goods. These are from the supplies for the last Peary Expedition which left New York in July, 1908. Some of the labels were imprinted because of the requirements of the 1906 Food Laws, and others, new labels at the time, were among the first lots with the necessary wording."

The canned foods are being stored by the Association as examples of the value of canning in overcoming climatic disadvantages and in preserving foods under severe conditions.

#### Miss Atwater Guest on Washington Broadcast

Miss Ruth Atwater of the Association's Home Economics Division was interviewed June 2 on the subject "Know Your Canned Foods" by Mary Mason on her Home Forum program broadcast over the National Broadcasting Company's Washington station, WRC. Miss Atwater spoke of the safety of the tin can as a container, told how to store canned foods in the home, suggested what to look for in buying canned foods, and mentioned the origin of canning and the history of the industry in the United States.

#### Mississippi Tomato Marketing Program Approved

A continuous marketing agreement program for tomato growers of Mississippi has been given final approval and will become effective June 5. The program, under a marketing agreement and order, applies to fresh tomatoes grown in Mississippi and shipped in interstate commerce.

#### Food Distribution During First Quarter of 1939

Manufacturers' sales of food and kindred products during the first quarter of 1939 showed an increase of 2 per cent from the same period of 1938, according to reports from 413 firms compiled by the Bureau of Foreign and Domestic Commerce. A general decline in food prices indicates that the physical volume of goods sold was at least as large as during the first quarter of the year.

The cost value of manufacturers' stocks at the end of March was 7 per cent below the level on the same date last year, and 4 per cent below February, 1939.

Total sales of wholesale grocers during the first quarter of 1939 declined almost 2 per cent from the same period of

1938, according to reports from 679 firms. As in the case of manufacturers, a general decline in food prices indicates a physical volume as great as or slightly greater than during the first quarter of 1938.

The cost value of stocks in the hands of wholesale grocers at the end of March was nearly 5 per cent below the level on the same date last year. All the regions contributed to this decline, with decreases ranging from a fractional decline recorded for the West South Central Region to 13 per cent recorded for the Mountain Region.

#### Bacterial Wilt of Sweet Corn

The April 1, 1939, issue of the *Plant Disease Reporter*, published by the Department of Agriculture, includes the fifth experimental forecast of the incidence of bacterial wilt of sweet corn. The following excerpts indicate the nature of the forecast:

"While we plan to continue this experiment in forecasting the incidence of bacterial wilt on the basis of winter temperatures it is without any expectation of success comparable to that of the past four seasons. We are well aware that many as yet unrecognized factors may affect the incidence of this disease. Moreover we are unable to secure information on certain points which would seem to be of great importance."

"Throughout most of the area being studied, the winter of 1938-39 was slightly warmer than the previous one, and slightly colder than that of 1936-37. On the basis of winter temperatures as indicated by a sum of monthly means then, if the hypothesis now being tested is correct, there should be at least as much bacterial wilt on susceptible varieties of sweet corn as last year, with commercially significant losses as far north as Rockland County, New York and Indianapolis, Indiana. Reference has been made several times to the probability that a series of warm winters may be more favorable to the disease than one very warm one. The accumulated effect of the past three warm winters may well result in losses more serious than those of 1937 or 1938."

#### CONTENTS

	PAGE
Norton bill revised	5867
Buyer should sign food guaranty	5867
Hearing on Marketing Act	5867
Minimum age provisions apply to canneries	5868
Another demonstrator complaint issued	5868
To display Association's publications at meeting	5868
Mark of origin bill vetoed by New York governor	5868
California Assembly passes lien bill	5868
Tells students of Association's Service Kitchen	5869
Dollar sales of wholesalers-manufacturers	5869
American fruit juices gain popularity abroad	5869
Study being made of Pacific sea life	5869
American share of Philippine trade in 1938	5869
United Kingdom continues canned food increase	5869
Early Cuban grapefruit crop reported small	5869
Veterans Bureau to buy canned cherries	5869
Fruit and vegetable market competition	5869
Peary expedition canned foods given N. C. A.	5869
Miss Atwater guest on Washington broadcast	5870
Mississippi tomato marketing program approved	5870
Food distribution during first quarter of 1939	5870
Bacterial wilt of sweet corn	5870